COD Processing Update

October 21, 2011

NEWS/UPDATES

- **Third 2010-2011 Pell Grant Deobligation Due To Verification Status Code "W" (10/20/11)**
  On October 19, 2011, Federal Student Aid deobligated 2010-2011 Award Year Federal Pell Grant (Pell Grant) disbursements that did not have a verification status updated from "W" to a valid status of "V" or "S". As noted in the warning message that Federal Student Aid sent to affected schools on October 5, 2011, these disbursements were considered overawards and reduced to a zero dollar amount ($0.00), even though the disbursements were previously accepted in the COD System. This deobligation affected Pell Grant disbursements at approximately 138 schools.

  A school affected by the deobligation will receive or see the following information:

  - Receive a PGTX (PGTX11OP message class) file in the school's Student Aid Internet Gateway (SAIG) mailbox indicating the number of students and total amount of the decrease

  - Receive a system-generated negative disbursement file (CRND11OP message class/ND document type)

  - Receive a new Electronic Statement of Account (ESOA) that reflects the decrease unless there are other offsetting increase adjustments

  - See a change in the school's Current Funding Level (CFL) that reflects the reduced disbursements

  Note: If a school did not have students with a verification status of "W" just prior to October 19, 2011, it was not affected by the deobligation process.
  A school affected by the deobligation should carefully review the following information:

  Verification Completed or Not Required

  If verification has been completed as required or is not required and a school believes a student's 2010-2011 disbursement should not have been reduced to zero, the school must complete the following steps in this order:

  1) The school must ask for administrative relief according to the instructions in the September 1, 2011 Electronic Announcement and attachment posted on the Information for Financial Aid Professionals (IFAP) Web site.

  2) The school must send an update to the verification status of the award, and the COD System must accept the update.

  3) Once the verification status is updated to "V" or "S", the school may submit the actual disbursement (Disbursement Release Indicator or DRI equals "True") for the correct amount to the COD System for processing.

Notes:

- For the conditions under which each verification status code should be used, refer to the September 28, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals (IFAP) Web site.

- In the following two cases, it is acceptable for the verification status code field to be blank:

  o If the student was not selected for verification or if a selected transaction was received by the school after the student was no longer enrolled and the school has reported the verification status code as "W", the school should change the "W" to blank (nil = "True").

  o If the student was not selected for verification or if a selected transaction was received by the school after the student was no longer enrolled and the school has reported no verification status code to date, the school does not need to submit a verification status code and should leave the field blank (nil = "True").

- The school can perform steps 2 and 3 above in the same submission to the COD System if reported in the same student record.

For more information on how to request Administrative Relief or Extended Processing for the ACG Program, Iraq and Afghanistan Service Grant, National SMART Grant Program, or Pell Grant Program schools should refer to the September 1, 2011 Electronic Announcement and attachment posted on the Information for Financial Aid Professionals (IFAP) Web site.

If you have any questions regarding the 2010-2011 Pell Grant deobligation of disbursements due to verification status "W," contact the COD School Relations Center.

- **COD Batch Processing Suspension And Web Site Outages October 21-22, 2011 (10/14/11)**
As explained in a February 2011 Electronic Announcement on the Information for Financial Aid Professionals (IFAP) Web site, we implemented Common Origination and Disbursement (COD) System functionality to support 2011-2012 Award Year processing. During the period October 21-22, 2011, we plan to implement additional COD System functionality for the 2011-2012 Award Year.

Federal Student Aid will post an Electronic Announcement on the Information for Financial Aid Professionals (IFAP) Web site that provides operational implementation guidance related to the new functionality.

COD Batch Processing Suspension and Web Site Outage Information

To install the additional COD System functionality, we will suspend COD batch processing beginning at 8:00 P.M. (ET) on Friday, October 21, 2011. Records submitted after this time will be held and processed after 8:00 P.M. (ET) on Saturday, October 22, 2011.

Note: All actual disbursements with a disbursement date from October 21, 2011 through October 22, 2011 must be received by the COD System *no later than 9:00 A.M. (ET) on Friday, October 21, 2011,* and subsequently accepted by the COD System, in order to generate the appropriate funding level increase prior to the outage. Disbursements submitted by the deadline but not subsequently accepted, disbursements submitted after the deadline, and disbursements with a disbursement date after October 22, 2011 will be processed and funded after the outage.
In addition, between 8:00 P.M. (ET) on Friday, October 21, 2011 and 8:00 P.M. (ET) on Saturday, October 22, 2011—

- Users will not be able to submit or retrieve data via the COD Web site.

Contact Information: If you have questions, contact the COD School Relations Center at 800/474-7268 for Grants or 800/848-0978 for Direct Loans. You may also e-mail CODSupport@acs-inc.com.

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FEDERAL STUDENT AID

This edition will remain on the COD Web site until a new edition is posted.
We will notify schools via a COD Web Message when a new edition has been posted.

- Users will not be able to access the COD Reports area of the COD Web site.

- An individual will not be able to complete online Direct Loan Entrance Counseling, complete a new Master Promissory Note (MPN) electronically, complete a Direct PLUS Loan Request electronically, endorse a Direct PLUS Loan electronically, or view loan correspondence via the StudentLoans.gov Web site.

- An individual will not be able to complete TEACH Grant Initial and Subsequent Counseling, complete a new TEACH Grant Agreement to Serve (ATS), or retrieve an existing ATS via the TEACH Grant Web site.

Note: The COD System will undergo routine maintenance on Sunday, October 23, 2011 from 5:00 A.M. (ET) until 11:00 A.M. (ET). During this period, batch processing and Web site availability will again be impacted.

Federal Student Aid apologizes for this inconvenience and appreciates your understanding and patience while it completes this important activity.

CURRENT ISSUES

ALL PROGRAMS

COD Web site Returning Errors When Updating Person Information [(07/11/11) Updated 09/23/11]

Federal Student Aid has identified an issue when schools attempt to update person information via the COD Web site. Specifically, when a user is updating person information, the Award list defaults to an award from a "closed" Award Year.

When attempting to submit the updated information, a user will receive an error message stating, "Updates are not allowed for this School and Award Year, either because the Award Year is closed and the School is not in extended processing or because FSA has confirmed closeout. If you have any questions, please contact COD Support. Please select a different Award for this person or select cancel."

To update person information a user must first select an award from the current award year from the Award list. Federal Student Aid is working to resolve the issue and plans to implement a fix in October 2011.

We apologize for any convenience this issue may cause schools. If you have any questions contact the COD School Relations Center.

DIRECT LOANS

Incorrect Servicer Information in September 2011 Direct Loan SAS (10/05/11)

Federal Student Aid has identified an issue with the federal loan servicer information provided in the September 2011 Direct Loan School Account Statement (SAS). This SAS included data through September 30, 2011 and was available in Student Aid Internet Gateway (SAIG) mailboxes on October 3, 2011.

The financial transactions in the September 2011 Direct Loan SAS are correct; however, the servicer information is incorrect and should not be used by schools. The issue affects the September 2011 Direct Loan SAS for all open award years.

Federal Student Aid plans to correct the federal loan servicer information in the October 2011 Direct Loan SAS. In the meantime, schools can log in to the COD Web site and select the Servicer search from the Person menu to identify the servicer for a particular award. Schools can also select the Borrower-Servicer Relationship search from the View Person Information screen.

Federal Student Aid apologizes for any inconvenience this issue may cause. If you have additional questions, contact the COD School Relations Center.

GRANTS

Pell Grant Awards Rejecting Incorrectly for Edit 38 When Last Name Change Involved (09/09/11)

Federal Student Aid has discovered an issue when a school submits a Pell Grant award and the student's "original" and "current" last name field tags do not match. The COD System is incorrectly trying to link the CPS transaction using the original last name instead of the current last name. The school is then receiving COD Reject Edit 38 (Student not Pell eligible) incorrectly because the last name on the CPS transaction and the Pell Grant award record do not match.

Federal Student Aid is working on a fix for the issue and plans to implement it in late October 2011. As a temporary workaround until the system fix, a school should submit the student's "current" last name in **both** the <LastName> tag in the Student Identifier/Index block and the <LastName> change tag.

REMINDERS

COD Computer-Based Training (10/21/11)

Federal Student Aid takes this opportunity to remind the community of the availability of the COD Computer-Based Training (CBT).

The COD CBT consists of component simulations and CBTs. The electronic files associated with each component, as well as information about downloading and navigating the COD CBT, are available on the Information for Financial Aid Professionals (IFAP) Web site. Under the "Tools for Schools" section on the home page, click on COD Computer-Based Training.

Sending Addresses for U.S. Territories and Foreign Countries on the Common Record or the COD Web site (10/21/11)

When submitting student or borrower addresses or address changes to the Common Origination and Disbursement (COD) System, it is important that the correct tags are used, particularly when the student or borrower address is located in a U.S. Territory or

Foreign Country. If these addresses are not submitted correctly, important correspondence from the COD System and the federal loan servicers is delayed or not received.

- When a student or borrower address is located in a U.S. Territory it is considered a domestic address. Do not submit a Country Code.
- When a student or borrower address is located in a Foreign Country, it is treated as a foreign address.

See below for the correct procedures for submitting U.S. Territories and Foreign Country addresses via the Common Record batch submission or COD Web site.

Submitting Addresses for U.S. Territories and Foreign Countries via the Common Record

When creating or updating a person record via the Common Record batch submission, a school should send the address block with the following tags:

Schema Version	*Included* Tags for Domestic Address, including U.S. Territories	*Excluded* Tags for Domestic Address, including U.S. Territories	Included Tags for Foreign Addresses
3.0c or 3.0d	<AddressLine> <City> <StateProvinceCode> <PostalCode>	<StateProvince> <CountryCode>	<AddressLine> <City> <StateProvince> (Optional) <PostalCode> (Optional) <CountryCode>

Submitting Addresses for U.S. Territories and Foreign Countries via the COD Web site

When creating or updating a person record on the COD Web site, a school should select the U.S. Territory from the dropdown box in the State/Province field. A school should select the Country field as "Blank".

A complete list of State Codes (including U.S. Territories), Jurisdictions, and Country Codes are provided in Volume VI, Section 4 of the [2010-2011 COD Technical Reference](#). If you have questions about this information, contact the COD School Relations Center.